Infrastructure Canada

Report on Plans and Priorities

2011-12

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Minister of Transport, Infrastructure and Communities and
Minister of the Economic Development Agency of Canada for
the Regions of Quebec

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Minister's Message

Denis Lebel

As Canada's new Minister of Transport, Infrastructure and Communities, and Minister of the Economic Development Agency of Canada for the Regions of Quebec, I am pleased to present Infrastructure Canada's Report on Plans and Priorities for 2011-12. The report outlines the department's commitment to continue investing in world-class, modern infrastructure across the country. Through these investments, we are helping to deliver results that matter to Canadians – a stronger economy, cleaner environment, and more prosperous and vibrant communities.

Over the past two years, Infrastructure Canada has played a significant role in stimulating and re-building the Canadian economy. Through the Government of Canada's Economic Action Plan (EAP), the department worked hard to quickly approve more than 6,300 projects to create and maintain jobs all across Canada while ensuring the country emerged from the recession with more modern infrastructure.

In the coming year, we will focus our efforts on several important fronts. First, the department will continue to work with funding partners to ensure projects are completed in a timely manner and to provide proper stewardship and oversight as we process and pay thousands of claims for EAP projects. The department will manage the effective close-out of the Infrastructure Stimulus Fund and the Building Canada Fund-Communities Component Top-Up. The extension of the construction deadline to October 31, 2011 is expected to allow sufficient time for virtually all the remaining projects to be completed.

At the same time, we will work closely with our partners to continue the implementation of programs under the long-term $33 billion Building Canada Plan. The coming years will see the start of the busiest phase of the Plan, with construction advancing on many large-scale, multi-year infrastructure projects. Our work will also include oversight for the $2 billion per year Gas Tax Fund and the five-year Green Infrastructure Fund.

Our focus on long-term funding for national and local infrastructure priorities will bring lasting benefits to Canadians. Whether it is a new 335 kilometre power transmission line in northern British Columbia, the expansion of Laval University's physical education and sports facility, or major repairs to a bridge connecting Halifax and Dartmouth, we are making infrastructure improvements happen. These investments are making Canadian towns, cities and communities better places to live, work and raise our families.

I invite you to follow our progress as we move forward in implementing our infrastructure goals, at **www.creatingjobs.gc.ca**.

The Honourable Denis Lebel, P.C., M.P.
Minister of Transport, Infrastructure and Communities and
Minister of the Economic Development Agency of Canada for
the Regions of Quebec

Section I:
Departmental Overview

1.1 Raison d'être

Strong, modern, world-class public infrastructure is a key factor in achieving the Government of Canada's priorities of a stronger economy, a cleaner environment and more prosperous, safer communities. Infrastructure Canada leads the Government of Canada's efforts in addressing Canada's public infrastructure challenges.

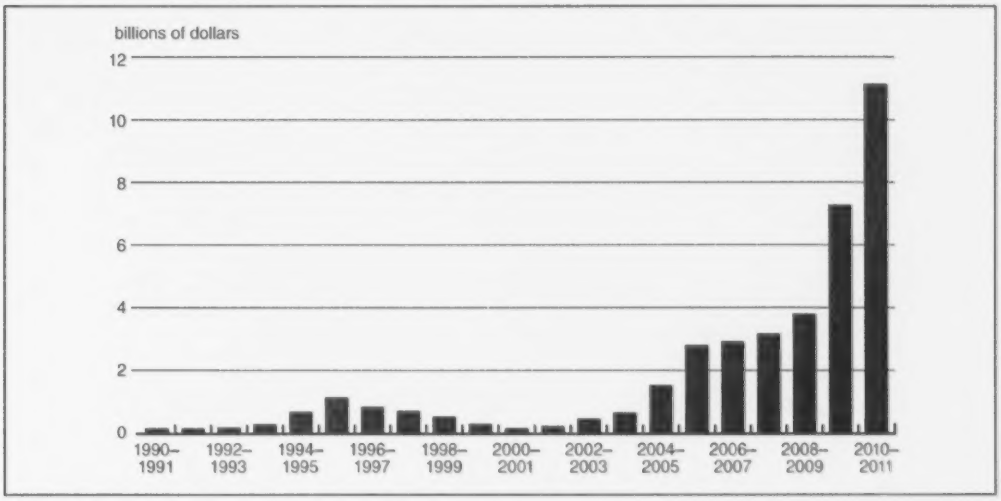
1.2 Responsibilities

I. Overview

Infrastructure Canada is responsible for federal efforts to enhance Canada's public infrastructure through strategic investments in provincial, territorial and municipal assets, key partnerships, and sound policies. The department exists to help ensure that Canadians benefit from world-class public infrastructure by supporting initiatives from coast to coast to coast.

As shown in Figure 1, federal support for provincial, territorial and municipal core public infrastructure has increased in recent years, and Infrastructure Canada is the key contributor of federal support.

Figure 1: Federal Infrastructure Support for Provincial, Territorial and Municipal Infrastructure

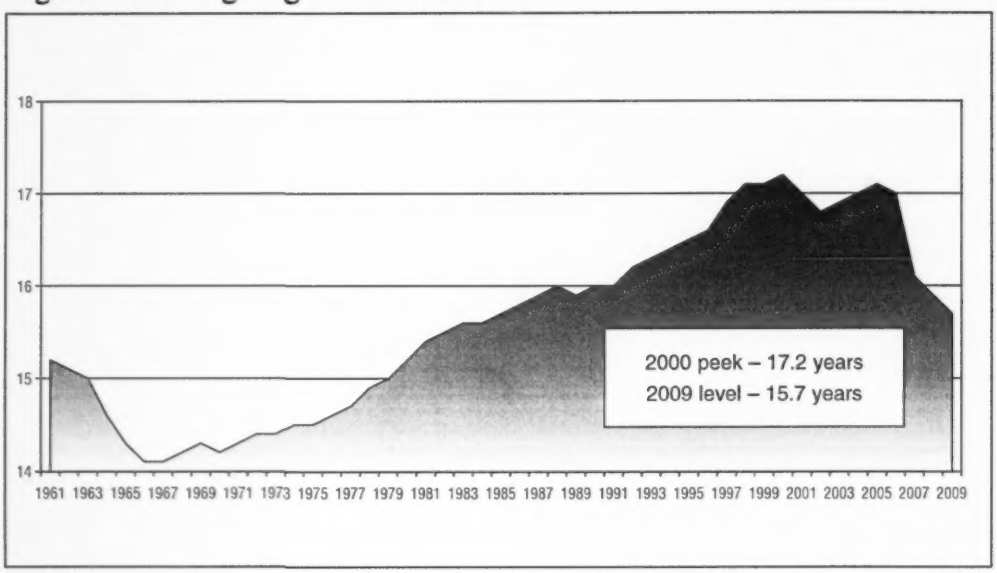


Source: Canada's Economic Action Plan: A Sixth Report to Canadians – September 2010.

Note: As a result of the EAP deadline extension to October 31, 2011, Infrastructure Canada will transfer funding from 2010-11 to 2011-12 for affected programs. This transfer of funding will be requested through 2011-12 Supplementary Estimates, reducing the forecast spending in 2010-11 and increasing the planned spending in 2011-12.

Over the past decade, increased federal investments in infrastructure, together with leveraged investments from our funding partners, have contributed to the ongoing renewal of Canada's core public infrastructure. As seen in Figure 2, the average age of Canada's core public infrastructure peaked in 2000 at 17.2 years. Between 2000 and 2009, this average age has fallen to 15.7 years. The unprecedented infrastructure investments made as part of Canada's Economic Action Plan (EAP) are likely to contribute to a further decline in the average age of Canada's public infrastructure in the years to come.

Figure 2: Average Age of Infrastructure



Source: Statistics Canada

Over the past two years, the department played a leading role in delivering the Government of Canada's EAP, rolling out an unprecedented amount of infrastructure investment while maintaining an environment of prudent stewardship. Since January 27, 2009 (Budget 2009) alone, Infrastructure Canada has committed close to $10.8 billion towards more than 6,300 infrastructure projects. When combined with contributions from the provinces, territories, municipalities and other funding partners, this means a total of approximately $31 billion committed for infrastructure projects in communities across the country.

Canada's EAP has helped see Canada through the worst global recession since the 1930s and continues to contribute to a solid economic recovery. In fact, Canada's labour market is performing better than its Group of Seven (G-7) peers, with Canada posting the strongest employment growth among G-7 countries since June 2009. In addition, Canada's economy experienced the smallest decline among the G-7 countries and has now more than fully recouped all of the loss in output experienced during the recession.

Also noteworthy is the fact that Infrastructure Canada's stimulus funding marks the first time that the department has systematically provided significant funding for infrastructure rehabilitation. Rehabilitation and maintenance are important elements in the lifecycle of most public infrastructure. Just like proper maintenance of homes and vehicles, these types of investment help to extend the useful lives of these assets and in some cases can also increase capacity and improve safety.

In 2011-12, the department will continue to ensure prudent and sound financial management as it begins the intensive close-out process of completed EAP projects. While the EAP deadline has been extended to October 31, 2011, the majority of construction is expected to be completed by the original deadline of March 31, 2011. This is a responsible approach that will allow the completion of any remaining projects across the country that need more time. The extension will only apply to projects that were submitted prior to the announcement of the extension and that have incurred eligible costs before March 31, 2011. Details on extension conditions have been communicated to our partners and to project proponents. The department will work with partners to ensure that projects are completed, and claims for eligible expenses are processed quickly and efficiently. The department will also continue to focus significant efforts on the implementation of its long-term programs under the Building Canada Plan.

II. Programs

Infrastructure Canada delivers a broad range of infrastructure programs, providing flexible and effective funding support for public infrastructure projects together with provincial, territorial, municipal, not-for-profit and private sector infrastructure partners. The department's funding activities are broadly grouped as follows:

1. **Building Canada Plan:** $33 billion in programs (announced in Budget 2007).
2. **Economic Action Plan:** $5.5 billion in programs (announced in Budget 2009).
3. **Legacy programs:** programs currently winding down.

Infrastructure Canada's Programs at a Glance

Building Canada Plan		
Provincial-Territorial Infrastructure Base Fund (PT Base Fund)	$2.3 Billion	The PT Base Fund provides a total of $175 million in funding per jurisdiction. In addition, over $26 million in per capita funding under the Building Canada Fund for the three territories is managed under this fund. The PT Base Fund is for infrastructure priorities identified in each jurisdiction's capital plans. It was most particularly designed to contribute towards the restoration of fiscal balance, particularly for smaller jurisdictions. Under the Economic Action Plan, jurisdictions could choose to accelerate all funds by March 31, 2011 (2007-08 to 2013-14).
Gas Tax Fund (GTF)	$2 Billion annually	Through provincial and other agreements, GTF provides municipalities with predictable, long-term funding coupled with local decision-making enabling municipalities to build and rehabilitate public infrastructure that achieves environmental outcomes. The GTF was launched in 2005-06, and extended in Budget 2007 as part of the Building Canada Plan. In Budget 2008 the government announced that it intends to make this program permanent at $2 billion per year.

Building Canada Fund-Communities Component (BCF-CC)	$1 Billion	The BCF-CC provides funding that focuses exclusively on infrastructure pressures facing smaller communities, targeting project investments in communities with populations of less than 100,000. The fund leverages additional contributions from other partners by limiting the maximum federal share for funded projects to one-third, with matching contributions from both the provincial and municipal level (2008-09 to 2016-17).
Building Canada Fund-Major Infrastructure Component (BCF-MIC)	$6.7 Billion	The BCF-MIC targets larger infrastructure projects of national or regional significance. At least two-thirds of the funding is targeted to national priorities: water, wastewater, public transit, the core national highway system and green energy. By providing federal funding on a cost-shared basis, the BCF-MIC leverages additional contributions from other partners to promote increased investment in large infrastructure projects (2008-09 to 2016-17).
Economic Action Plan		
Green Infrastructure Fund (GIF)	$1 Billion	The GIF provides funding over five years for infrastructure projects that promote cleaner air, reduced greenhouse gas emissions, and cleaner water. The GIF provides up to 50% of eligible project costs to promote increased investment in infrastructure in support of a more sustainable economy (2009-10 to 2013-14).
Infrastructure Stimulus Fund (ISF)	$4 Billion	The ISF is intended to accelerate and increase the number of provincial, territorial, municipal, and some not-for-profit infrastructure projects. It focuses on the rehabilitation of existing assets and new infrastructure that are construction-ready and can be substantially completed by October 31, 2011. By providing up to 50% federal funding to projects, the ISF leverages funding from other partners, generating a much greater overall effect through infrastructure spending to the Canadian economy (2008-09 to 2011-12).
Building Canada Fund-Communities Component Top-Up (BCF-CC Top-Up)	$500 Million	The BCF-CC Top-Up provides additional funding in the amount of $500 million (added to the Building Canada Fund-Communities Component) to fund additional two-year infrastructure projects in communities with populations of less than 100,000 (2008-09 to 2011-12).
Legacy Programs		
Canada Strategic Infrastructure Fund (CSIF)	$4.9 Billion*	The CSIF provides funding for projects in areas that are vital to sustaining economic growth and enhancing the quality of life of Canadians. The fund leverages additional contributions from other partners by providing up to 50% funding for eligible projects (2003-04 to 2012-13).
Municipal Rural Infrastructure Fund (MRIF)	$1.2 Billion	The MRIF provides funding for small-scale municipal infrastructure projects designed to promote and improve quality of life in both urban and rural communities. For most projects, the MRIF provides up to one-third federal funding for eligible projects (2003-04 to 2013-14).
Border Infrastructure Fund (BIF)	$675 Million*	The BIF provides funding for investments in physical infrastructure, transportation system infrastructure and improved analytical capacity at surface border crossings. The fund provides up to 50% federal funding (2003-04 to 2013-14).

* Reflects the amount of funding for projects administered under the program's terms and conditions.

Project Spotlights

Throughout this document, project spotlights are provided to showcase some of the many projects across the country that receive funding from Infrastructure Canada. For more information on these projects or any Infrastructure Canada Economic Action Plan project please visit us on line at **www.creatingjobs.gc.ca**.

PROJECT SPOTLIGHT:

Improved Commuter Services in British Columbia

Project location: Vancouver, British Columbia

On March 20, 2009, Canada, the province of British Columbia, and TransLink jointly announced $280 million for transit projects. The funding supports the SkyTrain light rail system and West Coast Express commuter rail system in the lower Mainland, as well as transit facility upgrades in Surrey, Kelowna, Kamloops, and Vernon.

New SkyTrain rail cars will be purchased, rails replaced, and fibre-optic cameras installed. The West Coast Express commuter rail service between Vancouver and Mission will benefit from the purchase of seven additional rail cars, along with upgrades to certain stations to accommodate longer trains and provide enhanced passenger access.

The projects include improving pedestrian circulation and access for people with disabilities, lengthening platforms, and enhancing bus connections and cycling accommodation at the Main Street and Scott Road SkyTrain light rail stations.

This work will go a long way in upgrading commuter rail service to meet the growing demand for urban public transit in metro Vancouver.

Federal contribution: $88,300,000 under the Building Canada Fund-Major Infrastructure Component.

III. Federal Delivery Partners

Infrastructure Canada is the lead federal department responsible for infrastructure policy development and program delivery. In some instances, the department collaborates with other federal departments and agencies to promote efficient delivery of its programs. These departments and agencies share their knowledge of local needs and priorities. Infrastructure Canada's Federal Delivery Partners are:

- Atlantic Canada Opportunities Agency (ACOA);
- Canada Economic Development for Quebec Regions (CEDQR);
- Canadian Northern Economic Development Agency (CanNor);
- Federal Economic Development Agency for Southern Ontario (FedDev Ontario);
- Indian and Northern Affairs Canada (INAC);
- Transport Canada (TC); and
- Western Economic Diversification (WED).

1.3 Contribution to the Federal Sustainable Development Strategy (FSDS)

Under the Federal Sustainable Development Strategy (FSDS) the Government of Canada is taking a major step forward by including environmental sustainability and strategic environmental assessment as an integral part of its decision-making processes. The FSDS identifies four themes for action:

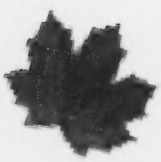
1. Addressing Climate Change and Air Quality
2. Maintaining Water Quality and Availability
3. Protecting Nature
4. Shrinking the Environmental Footprint – Beginning with Government

Although Infrastructure Canada is not one of the 26 departments required to table a Departmental Sustainable Development Strategy (DSDS) or to report on its contribution to the FSDS, Infrastructure Canada does play, and will continue to play, a key role in enabling federal partners, other levels of government, as well as small and large Canadian communities in moving towards a more sustainable future.

The department's policies and core funding activities support thousands of projects across the country that contribute to a cleaner environment in areas such as drinking water, wastewater and stormwater management, clean energy, public transit, brownfield redevelopment and capacity-building for community sustainability planning. These infrastructure investments directly support two of the FSDS themes – *Maintaining Water Quality and Availability, and Addressing Climate Change and Air Quality.*

Infrastructure Canada is also moving forward with a number of green corporate initiatives which support the fourth theme: *Shrinking the Environmental Footprint – Beginning with Government.* First, the department has consolidated most of its operations by relocating from seven different locations to Ottawa's first building that meets the Canada Green Building Council's Leadership in Energy and Environmental Design (LEED) Gold certificate. Additionally, Infrastructure Canada is moving forward with the implementation of its recent Greening Action Plan, which includes aspects related to green procurement, waste and energy reduction, and environmental practices, awareness and promotion. More details on Infrastructure Canada's green procurement initiatives can be found in the Supplementary Information Tables on Greening Government Operations, accessible through Treasury Board Secretariat's website: **http://www.tbs-sct.gc.ca/est-pre/index-eng.asp**.

Section II of this report provides additional information, by program activity, about Infrastructure Canada's contributions towards the FSDS.



1.4 Strategic Outcomes and Program Activity Architecture (PAA)

Infrastructure Canada's Program Activity Architecture (PAA) structure provides a framework for all departmental activities. It organizes resource allocation (both human and financial) against activities and expected outcomes and provides a meaningful way to link activities to broader Government of Canada outcomes.

Infrastructure Canada's PAA structure has the following three strategic outcomes and 11 active program activities as detailed in Figure 3:

1) ***Provinces, territories and municipalities have federal financial support for their infrastructure priorities:*** Provides federal transfers to provincial, territorial and municipal governments for their infrastructure priorities in order to help maintain a high level of quality core public infrastructure across the country.

Stable & Predictable Funding

2) ***Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided:*** Provides targeted project-specific investments to address federal/provincial priorities in both large and small communities as well as large strategic investments of national and regional benefit.

Strategic & Targeted Funding

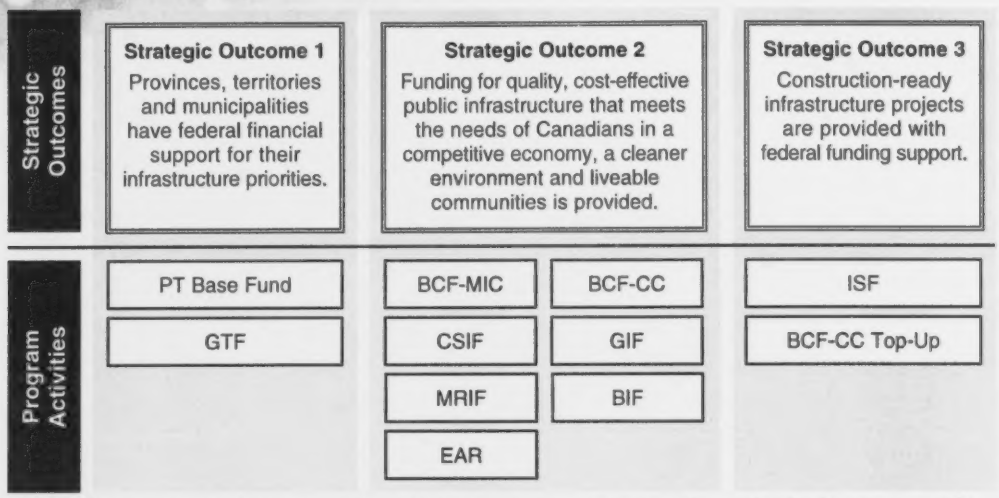
3) ***Construction-ready infrastructure projects are provided with federal funding support:*** Provides timely, temporary and targeted funding to construction-ready projects to support short-term economic stimulus under the Economic Action Plan.

Short-Term & Timely Funding

Infrastructure Canada's Strategic Outcomes group the department's flexible and innovative suite of programs into three major activity areas. They speak to long-term infrastructure investments, which include stable and predictable funding programs, such as the Gas Tax Fund, as well as strategic and targeted programs, such as the Building Canada Fund. They also speak to short-term, timely and targeted programs such as the significant funding being provided under the Economic Action Plan.

Section II of this report discusses in detail the program activities, as well as the Internal Services program activity.

Figure 3: Program Activity Architecture



Note: Activities associated with internal services, such as IMIT or corporate finance, are discussed in detail in Section II of this report, and are not reflected in this chart. The above figure contains only the department's active program activities. Of note, the program activities for National Trail Coalition and the G8 Legacy Fund, which do not have funding for 2011-12 and beyond, are no longer shown, but are still program activities in the department's Program Activity Architecture structure.

Acronyms:

BCF-CC: Building Canada Fund-Communities Component
BCF-CC Top-Up: Building Canada Fund-Communities Component Top-Up
BCF-MIC: Building Canada Fund-Major Infrastructure Component
BIF: Border Infrastructure Fund
CSIF: Canada Strategic Infrastructure Fund
EAR: Economic Analysis and Research
GIF: Green Infrastructure Fund
GTF: Gas Tax Fund
ISF: Infrastructure Stimulus Fund
MRIF: Municipal Rural Infrastructure Fund
PT Base Fund: Provincial-Territorial Infrastructure Base Fund

1.5 Planning Summary

The last two years have been a time of considerable activity, investment and success for Infrastructure Canada. Moving forward, the department's priorities are two-fold. First, the department will prudently manage the close-out of its Economic Action Plan (EAP) programs. At the same time, the department will continue the implementation of its long-term infrastructure programs.

With more than 4,600 projects representing approximately $4.5 billion in federal contributions finishing by October 31, 2011, the department will continue to focus considerable effort during the planning year on the successful implementation and winding down of EAP programs. It should be noted that whether projects finish construction by the original March 31, 2011 deadline or take advantage of the extension, the end of the construction phase does not signal the end of program delivery. Once project construction is complete, and eligible costs are no longer being incurred, the final accounting and claims process begins. This process requires the exercise of final oversight and due diligence and is integral to ensuring the sound management of federal funding. Details on the program close-out process can be found on page 12.

While the EAP launched significant new infrastructure programs, it was also accompanied by swift action to accelerate the roll-out of the seven year, $33 billion Building Canada Plan launched in 2007. This was done by making changes to the federal legislative and regulatory framework, as well as through administrative actions, which streamlined project review processes and environmental approvals all the while protecting the environment.

The 2011-12 planning period will see Infrastructure Canada, together with provincial, territorial and municipal partners continue the successful implementation of programs which support stable, strategic and targeted infrastructure investments geared towards long-term growth and prosperity. For example, many larger strategic projects under the Building Canada Fund-Major Infrastructure Component (BCF-MIC) will continue through planning and construction phases beyond the October 31, 2011 deadline. The department will continue to focus efforts on committing remaining BCF-MIC funding – new projects will be announced and funded.

Additionally, for 2011-12, the PT Base Fund will continue to provide funding to provinces and territories for their infrastructure priorities, such as roads, highways and water treatment. In total, nearly $350 million is scheduled to be disbursed to provinces in 2011-12.

The Green Infrastructure Fund (GIF) will also see considerable activity during 2011-12. Although the fund was announced in Budget 2009, GIF operates under significantly different parameters than other EAP programs announced at the same time. Projects funded under GIF are large-scale projects that will be completed over a longer timeline than the two-year EAP projects. In many ways GIF is similar to BCF-MIC, and 2011-12 will see GIF projects moving forward through planning and construction phases. Again, in support of long-term stable funding, the department will continue its oversight of the ongoing Gas Tax Fund, as well as begin the policy work on future infrastructure programming, subject to the availability of budgetary resources.

Typical Claims Process:

With more than 4,600 stimulus projects finishing by October 31, 2011, Infrastructure Canada will be heavily focused on performing financial oversight and due diligence of each project file prior to paying all claims. The sheer volume of these simultaneous requests for payments will keep Infrastructure Canada very busy during this planning period. Below is a glimpse of a typical claim process for a municipal project being funded under a provincial or territorial agreement.

It is important to note that, for contribution programs, Infrastructure Canada is not responsible for the management of infrastructure projects. Specifically, under Strategic Outcomes 2 and 3, Infrastructure Canada reimburses eligible expense claims submitted by the recipients – the project managers. As such, the department's spending lags behind the actual rate of construction. In many cases, recipients choose to submit claims only when all construction is completed. Upon receiving completed claims, the department pays in 30 days.

1.5.1 Financial and Human Resources

Infrastructure Canada's financial and human resources information over the planned period are summarized in Table 1 and Table 2.

The planned spending for 2011-12 in Table 1 does not include funding for the Infrastructure Stimulus Fund and the Building Canada Fund-Communities Component Top-Up, which are the two programs extended until October 31, 2011 under Canada's Economic Action Plan. Funding for these two programs will be transferred from 2010-11 to 2011-12. This funding transfer will be requested through 2011-12 Supplementary Estimates, reducing the Forecast Spending for 2010-11 and increasing the Planned Spending for 2011-12. Should program close-out require FTEs and planned spending in 2012-13 or beyond, these requirements will be addressed through future Estimates processes.

Table 1: Financial Resources (Net Cost of Programs in $ thousands)

2011-12	2012-13	2013-14
4,881,172	4,231,130	3,561,977

Table 2: Human Resources (Full-time Equivalent – FTE)

2011-12	2012-13	2013-14
330	320	320

Infrastructure Canada has no ongoing base level of funding for administration and operating costs. Its operating requirements are funded from specific infrastructure programs as related administrative costs are confirmed on an annual basis. As a result, the department has not yet confirmed its operating budget requirements or approved FTE levels for 2012-13 and future years.

The department's FTEs are managed in a holistic fashion and resource levels reported against individual programs are based on best available estimates. FTEs may be re-allocated on an as-needed basis during the year to reflect specific requirements of funding programs and other government priorities. Furthermore, many operational resources are not limited to one specific program and may be re-allocated during the year to meet operational priorities. A similarly estimated and proportional amount of operating funding is also allocated to the administration of individual programs. This flexibility allowed the department to adjust quickly to successfully implement and manage new programs arising from the Government of Canada's Economic Action Plan.

1.5.2 Program Activities by Strategic Outcome and Planned Spending

Table 3 summarizes the planned spending and strategic outcomes for each departmental program activity. Table 3 also outlines how Infrastructure Canada's planned outcomes are linked to and support the Government of Canada's outcome[1] areas relating to overall government spending.

Table 3: Program Activities by Strategic Outcomes

Strategic Outcome 1: Provinces, territories and municipalities have federal financial support for their infrastructure priorities.					
Performance Indicators		**Targets**			
Total funds transferred by the federal government to provinces, territories, and municipalities for their infrastructure priorities.		Flow 100% of all planned spending under Strategic Outcome 1 in FY2011-12.			
Program Activity	**Forecast Spending 2010-11 ($000)**	**Planned Spending**			**Alignment to Government of Canada Outcomes[1]**
		2011-12 ($000)	**2012-13 ($000)**	**2013-14 ($000)**	
Provincial-Territorial Infrastructure Base Fund	665,585	347,375	154,462	135,040	Strong Economic Growth
Gas Tax Fund	2,106,180	1,975,952	1,974,546	1,974,540	Strong Economic Growth
Sub-Total:	**2,771,765**	**2,323,327**	**2,129,008**	**2,109,580**	

[1] For description of the Government of Canada Outcomes, please access the Treasury Board Secretariat web site at: http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx.

Strategic Outcome 2: Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.					
Performance Indicators		**Targets**			
Total funding provided to partners for targeted and strategic public infrastructure projects.		Flow 100% of all planned spending under Strategic Outcome 2 in FY2011-12. *Longer-term:* Transfer $8.5 billion in federal funding to project recipients from 2009-10 to 2012-13. (Note: this includes internal services at INFC).			
Partner contributions expressed as percentage of federal funding committed.		100%			
Program Activity	**Forecast Spending 2010-11 ($000)**	**Planned Spending**			**Alignment to Government of Canada Outcomes**
		2011-12 ($000)	**2012-13 ($000)**	**2013-14 ($000)**	
Building Canada Fund-Communities Component	329,889	323,391	275,729	142,653	Strong Economic Growth
Building Canada Fund-Major Infrastructure Component	1,120,824	1,270,430	1,319,386	1,002,714	Strong Economic Growth
Green Infrastructure Fund	370,316	431,084	159,843	174,852	Clean and Healthy Environment
Canada Strategic Infrastructure Fund[1]	690,187	378,791	233,555	100,336	Strong Economic Growth
Municipal Rural Infrastructure Fund[2]	307,412	47,226	39,300	See footnote 2	Strong Economic Growth
Border Infrastructure Fund	69,364	51,738	68,451	26,035	Strong Economic Growth
Economic Analysis and Research	11,767	10,817	4,607	4,600	Innovative and Knowledge-Based Economy
Internal Services[3]	48,956	41,969	40,000	40,000	
Sub-Total:	**2,948,715**	**2,555,446**	**2,140,871**	**1,491,191**	

[1] While the program ends on March 31, 2013, some projects received Treasury Board approval for the Canada Strategic Infrastructure Fund Terms and Conditions to continue to apply beyond 2012-13, until the project funding agreements expire.

[2] There is no Planned Spending for 2013-14.

[3] The Planned Spending for the Internal Services program activity in 2012-13 and 2013-14 is a preliminary estimate only.

Strategic Outcome 3: Construction-ready infrastructure projects are provided with federal funding support.	
Performance Indicators	**Targets**
Total amount of eligible costs incurred for construction-ready public infrastructure projects.	95% of eligible costs incurred by October 31, 2011.
Percentage of projects under the Economic Action Plan that are substantially completed by the end of program, out of total number of projects approved.	95% of approved EAP projects are substantially completed.
Funding leveraged from partners, as a percentage of federal funding, for construction-ready public infrastructure projects.	100% over the life of EAP programs (2009-10 to 2011-12).

Program Activity	Forecast Spending 2010-11 ($000)	Planned Spending			Alignment to Government of Canada Outcomes
		2011-12[1] ($000)	2012-13 ($000)	2013-14 ($000)	
Infrastructure Stimulus Fund[2]	3,309,429	2,400	See Footnote 2	See Footnote 2	Strong Economic Growth
Building Canada Fund-Communities Component Top-Up[2]	470,755	See Footnote 1	See Footnote 2	See Footnote 2	Strong Economic Growth
Support for the G8 Summit (2010)[3]	9,531	See Footnote 3	See Footnote 3	See Footnote 3	Strong Economic Growth
Sub-Total:	**3,789,715**	**2,400**	0	0	
Total Planned Spending for Strategic Outcomes 1, 2 and 3:	**9,510,195**	**4,881,172**	**4,231,130**	**3,561,977**	

[1] The Government of Canada has announced that the construction deadline for projects under the Infrastructure Stimulus Fund and the Building Canada Fund Communities Component Top-Up is being extended until October 31, 2011. Although the majority of construction is expected to be completed by the original March 31, 2011 deadline, the extension is intended to allow for completion of any remaining projects. As a result of the deadline extension to October 31, 2011 for projects under the Economic Action Plan, funding will be transferred from 2010-11 to 2011-12. This transfer of funding will be requested through 2011-12 Supplementary Estimates, decreasing the Forecast Spending for 2010-11 and increasing the Planned Spending for 2011-12. The $2.4 million in Planned Spending under the Infrastructure Stimulus Fund represents Operating Costs only.

[2] There is no Planned Spending for 2012-13 and 2013-14 for the Infrastructure Stimulus Fund and the Building Canada Fund-Communities Component Top-Up, as stated in Footnote number 1. Should program close-out require FTEs and planned spending in 2012-13 or beyond, these requirements will be addressed through future Estimates processes.

[3] There is no Planned Spending for the G8 Summit for 2011-12 and beyond, as this program activity is expected to be completed in 2010-11.

1.6 Contribution of Priorities to Strategic Outcomes

Given the overall direction of the department for 2011-12, Infrastructure Canada has established two operational priorities and two management priorities.

Operational Priorities

- Ensure proper financial oversight and appropriate program close-out for programs falling under the Economic Action Plan (EAP); and
- Continue efficient and effective stewardship of the longer-term infrastructure programs and projects.

Management Priorities

- Implement the results of Infrastructure Canada's Strategic Review; and
- Support Public Service Renewal and improve people management.

Table 4: Contribution of Priorities to Strategic Outcome

Operational Priorities	Type[1]	Description	Links to Strategic Outcome(s)
1. Ensure proper financial oversight and appropriate program close-out for programs falling under the Economic Action Plan (EAP).	Previously Committed	Continue to collaborate with federal, provincial, and territorial partners to ensure proper oversight in the management and close-out of over 4,600 projects that are providing short-term economic stimulus while contributing to long-term infrastructure improvements.	Strategic Outcome 3
2. Efficient and effective stewardship of the longer term infrastructure programs and projects.	Ongoing	Ensure program governance including management control frameworks, documentation, monitoring, reporting tools, and internal audit regimes are implemented and working effectively to ensure sound stewardship of all program expenditures.	Strategic Outcome 1, 2

[1] Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities (RPP) or the Departmental Performance Report (DPR).

Management Priorities	Type[1]	Description	Links to Strategic Outcome(s)
1. Implement the results of Infrastructure Canada's Strategic Review.	New	Following the 2011 Federal Budget, the department will implement the results of Infrastructure Canada's Strategic Review process in order to better meet the needs of Canadians.	Strategic Outcome 1, 2
2. Support Public Service Renewal and improve People Management.	Ongoing	In 2009-10 Infrastructure Canada developed and implemented a vision for people management, and revised the Integrated Business and Human Resources Plan (IBHRP) to transform this vision into action planning, and to develop measurable indicators. In 2011-12, the People Management Committee will continue to monitor the implementation of the plan via monthly meetings and quarterly statistics. The department will continue to improve on its recruitment and retention targets and continue to make progress in addressing the priorities set out in the Public Service Renewal Action Plan.	Strategic Outcome 1, 2

[1] Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities (RPP) or the Departmental Performance Report (DPR).

1.7 Risk Analysis

1.7.1 Risk Analysis Approach

Infrastructure Canada manages a variety of risks as it strives to realize its strategic outcomes. The department applies a comprehensive approach to actively identify, assess and manage risks at four distinct levels: strategic, operations, program and project. The department conducts regular environmental scans to identify internal and external risk factors which are used to define critical risks. Once any risks are identified, they are analyzed to determine probability and potential impact, and risk responses are developed. This information is then captured in the department's Corporate Risk Profile and semi-annual update Report on Risk Responses and Re-Assessment of Critical Risk Placements. The department also performs specific risk analyses for its large programs, such as the Infrastructure Stimulus Fund and the Building Canada-Major Infrastructure Component.

1.7.2 Changing Economic Conditions and Government-Wide Priorities

In response to unprecedented challenges faced by the Canadian economy, Infrastructure Canada quickly and effectively launched and implemented $5.5 billion in infrastructure investments under the Economic Action Plan (EAP), while maintaining an environment of prudent stewardship that Canadians expect from their government. With the winding down of the programs under the EAP, Infrastructure Canada will devote significant effort during 2011-12 to ensure proper financial and program oversight for the intensive close-out process for thousands of EAP projects.

The last update to the risk profile occurred in the fall of 2010. This pre-dated the announcement of the extension of the EAP programs to October 31, 2011. Early in 2011-12, the department will review and update its key critical risks in the context of the EAP extension and the impact this will have on the department.

1.7.3 Key Critical Risks

The fall 2010 re-assessment concluded that previously identified risk factors were either trending downwards or remained unchanged in terms of overall risk to the department. However, in light of the EAP program extension, the following three risks have been identified as the most critical to the achievement of the department's strategic outcomes:

i) Flexibility of information management technology

To ensure a smooth close-out of the EAP program and continued delivery of ongoing programs, information management and information technology (IT) systems will need modifications and upgrades. The ability of departments to upgrade and maintain legacy systems and applications is a government-wide challenge that makes it difficult to provide IT solutions that are usable, flexible and effective. Infrastructure Canada is faced with some obsolete systems and applications where the absence of supplier support and maintenance may result in increased system downtime and restrict the department's ability to implement new capacity of functionality.

Risk responses include:

- Adherence to Infrastructure Canada Project Management Framework.
- Quick access to external human resources to supplement the department's IT capacity and create dedicated project teams based on scope and complexity of requirements.
- The Shared Information Management System for Infrastructure (SIMSI) Blueprint and Roadmap which is focused on providing Infrastructure Canada with a flexible, adaptable and agile environment for quicker system development, and also features initiatives that address potential application obsolescence and improve availability and maintainability of the system.

ii) Provision of all EAP funds within established timeframes

With the allocation of EAP funds completed, the risk perspective has shifted from the prompt selection and approval of projects to the need for timely completion of projects and processing of eligible claims.

Risk responses include:

- Applying an even more stringent monitoring approach for high risk projects.
- Ongoing communication between Infrastructure Canada and recipients to reiterate program deadlines, accountabilities and project close-out procedures.

iii) Adaptability of Human Resources Capacity and Capability

The 2009 Corporate Risk Profile identified human resources challenges as the most significant risk to the department's ability to deliver on its mandate. The department has addressed the capacity issue related to this risk by implementing effective risk responses outlined in the Integrated Business and Human Resources Plan (IBHRP) to process the influx of EAP-related project applications. It is also developing business models and risk assessment tools to facilitate the execution of staffing functions. The new challenge facing the department is the need to rapidly adapt the capability of staff from providing front-end services and support (e.g., project review and assessment, communications support) to providing back-end services and support for EAP program close-out (e.g., monitoring, processing of claims).

Risk responses include:

- Updating and implementing human resources strategies in Infrastructure Canada's corporate and program areas.
- Optimizing internal expertise and work experience through assignments and shared resources.
- Increasing use of enabling technologies to streamline business processes and improve efficiencies in the administration of Infrastructure Canada programs.

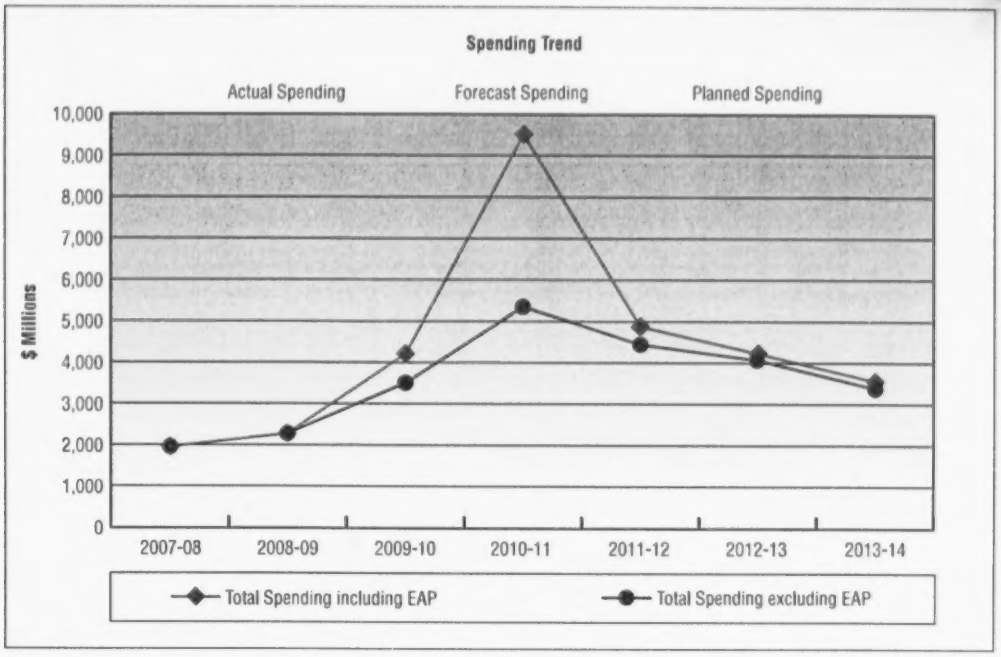
1.8 Expenditure Profile

1.8.1 Spending Trends

As previously stated, in 2011-12, significant effort will be dedicated to the close-out of the Infrastructure Stimulus Fund and the Building Canada Fund-Communities Component Top-Up. At the same time, the department will continue to focus on the implementation of its long-term programs under the Building Canada Plan.

Figure 4 presents the department's actual and planned spending profile from 2007-08 to 2013-14. Also as indicated, spending related to Canada's Economic Action Plan started in 2009-10, and is planned to continue through 2011-12; except for the Green Infrastructure Fund which is planned to continue until 2013-14. As such, in 2011-12, departmental spending is expected to peak and decrease as stimulus programs wind down.

Figure 4: Departmental Spending Trend and the Economic Action Plan (EAP)



Note: From 2007-08, total spending included all Parliamentary appropriation sources: Main Estimates, Supplementary Estimates and other adjustments. Spending from 2009-10 to 2010-11 corresponds to previously planned spending, plus spending related to the new infrastructure funds announced under the Economic Action Plan (Budget 2009), which are planned to continue until 2011-12 (except for the Green Infrastructure Fund, which is planned to continue until 2013-14). As a result of the deadline extension to October 31, 2011, funding for 2011-12 for the programs under the Economic Action Plan will be transferred from 2010-11 to 2011-12. This funding transfer will be requested through 2011-12 Supplementary Estimates, reducing the Forecast Spending for 2010-11 and increasing the Planned Spending for 2011-12. Should program close-out require FTEs and planned spending in 2012-13 or beyond, these requirements will be addressed through future Estimates processes.

In 2011-12, Infrastructure Canada expects to spend approximately $4.9 billion on infrastructure investments. Statutory funding authority for a portion of the programs under the Economic Action Plan was provided in the *Budget Implementation Act 2009*. These programs are: The Infrastructure Stimulus Fund, the accelerated funding under the Provincial-Territorial Infrastructure Base Fund, the Green Infrastructure Fund and the Building Canada Fund-Communities Component Top-Up.

1.8.2 Variations in Program Spending Trends

Through a suite of transfer payment programs, the department supports quality, cost-effective public infrastructure investments across Canada. Program design recognizes the provincial, territorial and municipal responsibility for a majority of public infrastructure and Infrastructure Canada's participation as a funding partner. The department is not responsible for the management of infrastructure projects, but rather for the reimbursement of eligible expenses submitted by recipient project managers for contributions programs. In the case of other transfer payment programs, the department provides stable base funding to provinces, territories and municipalities under the terms of signed agreements.

As such, it is important to note that the department's cash flow lags behind the actual rate of construction of projects. Work begins upon project approval: contracts are put in place, plans drawn up, materials are ordered and construction starts. While the department commits funds upon project approval, federal funding does not flow to recipients until they have submitted claims for actual costs incurred. In many cases, recipients wait until completion of the project before submitting a claim. Upon receiving completed claims, the department pays in 30 days. The department continually works with its partners to ensure that forecasts are as accurate as possible, and to re-profile Infrastructure Canada's funding to meet the needs of its partners.

1.8.3 Voted and Statutory Items

Table 5: Voted and Statutory Items Listed in Main Estimates (in $ thousands)

Vote Number or Statutory Item (s)	Truncated Vote or Statutory Wording	2010-11 Main Estimates	2011-12 Main Estimates
50	Operating Expenditures	56,131	50,031
55	Contributions	6,685,292	4,693,333
(S)	Contributions	1,436,078	132,770
(S)	Contributions to Employee Benefit Plans	5,157	5,038
	TOTAL:	**8,182,658**	**4,881,172**

In 2011-12, Infrastructure Canada expects to spend approximately $4.9 billion on infrastructure investments under Economic Action Plan, Building Canada Plan and legacy programs to meet the expected results of its program activities and to contribute to its strategic outcomes. This amount represents a decrease of over $3 billion from the previous year's Main Estimates. Note: as a result of the deadline extension to October 31, 2011, funding for 2011-12 for the programs under the Economic Action Plan will be transferred from 2010-11 to 2011-12. This funding transfer will be requested through 2011-12 Supplementary Estimates, reducing the Forecast Spending for 2010-11 and increasing the Planned Spending for 2011-12.

Estimates by Vote are presented in the 2011-12 Main Estimates which are available here: **http://www.tbs-sct.gc.ca/est-pre/2011-2012/me-bpd/info/info-eng.asp**.

Section II:

Analysis of Program Activities by Strategic Outcome

2.1 Strategic Outcomes and Program Activities

Infrastructure Canada's Program Activity Architecture (PAA) has the following three Strategic Outcomes (SO) and 11 active program activities in support of its mandate. The information presented in this section is organized according to Infrastructure Canada's PAA structure:

1) ***Provinces, territories and municipalities have federal financial support for their infrastructure priorities.***

   Program Activities:

   - Provincial-Territorial Infrastructure Base Fund
   - Gas Tax Fund

2) ***Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.***

   Program Activities:

   - Building Canada Fund-Major Infrastructure Component
   - Building Canada Fund-Communities Component
   - Canada Strategic Infrastructure Fund
   - Green Infrastructure Fund
   - Municipal Rural Infrastructure Fund
   - Border Infrastructure Fund
   - Economic Analysis and Research

3) ***Construction-ready infrastructure projects are provided with federal funding support.***

   Program Activities:

   - Infrastructure Stimulus Fund
   - Building Canada Fund-Communities Component Top-Up

The strategic outcomes speak to long-term infrastructure investments, which include stable and predictable funding programs such as the Gas Tax Fund as well as strategic and targeted programs such as the Building Canada Fund. They also speak to short-term, timely and targeted programs such as the significant funding being provided under the Economic Action Plan.

Overall, the program activities result in the construction, renewal and/or enhancement of public infrastructure, contributing to broad government objectives of a competitive economy, a cleaner environment and liveable communities.

2.2 Program Activities for Strategic Outcome I

Provinces, territories and municipalities have federal financial support for their infrastructure priorities.

2.2.1 Provincial-Territorial Infrastructure Base Fund

- Predictable funding for Provinces and Territories -

This fund provides a pre-determined level of base funding of $175 million (between 2007-08 and 2013-14) to each province and territory for infrastructure initiatives. In addition, over $26 million in per capita funding under the Building Canada Fund for the three territories is managed under this fund.

The program was designed to help restore the fiscal balance while enhancing Canada's public infrastructure system. It also enhances economic competitiveness and productivity, and promotes cleaner air, water and land and stronger and healthier communities. While payments are made to provinces and territories, ultimate recipients also include local and regional governments or private sector bodies.

As part of the Economic Action Plan, each province and territory was provided the opportunity to accelerate funding under this program to provide short-term economic stimulus. As a result, eight jurisdictions have signed accelerated funding agreements.

In order for federal funding to flow, provinces and territories submit a list of infrastructure initiatives through a capital plan which must be accepted by the Minister of Transport, Infrastructure and Communities. Once capital plans are accepted by the Minister, payments are made in advance of project implementation. Provinces and territories may pool, bank, or cash-manage these funds to give them flexibility in implementation.

Table 6: Provincial-Territorial Infrastructure Base Fund

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
2	347,375	2	154,462	2	135,040

Program Activity Expected Results	Performance Indicators	Targets
Recipient organizations have access to predictable funding from the Provincial-Territorial Infrastructure Base Fund to build and improve infrastructure.	Actual spending in the last fiscal year as a result of agreements with partners.	Flow all 2011-12 planned spending to program recipients in accordance with program authorities.
Collaborative partnerships between the federal government and provinces exist as part of the Provincial-Territorial Infrastructure Base Fund so that recipients have access to funds.	Number of agreements signed.	Manage agreements with all 13 provinces and territories to accelerate programs.
Infrastructure Canada's funding and negotiations leverage investments in infrastructure by other partners, so that investments in infrastructure are made.	Amount of funding leveraged.	Number of dollars leveraged from other partners meets minimum program requirements to be matched by provinces (50% federal share) and territories (75% federal share), to maximize infrastructure investments.

Planning Highlights:

- Work with provinces and territories to commit their PT Base funding allocations up to and including fiscal year 2011-12;
- Review and approve provincial/territorial Expenditures Reports;
- Transfer all payments scheduled for 2011-12; and
- Ensure the sound administration of the PT Base Fund by maintaining ongoing focus on program stewardship and prudent management.

Benefits for Canadians: The Provincial-Territorial Infrastructure Base Fund was designed to provide stable, predictable annual funding. It also offers significant flexibility to provinces and territories to support their core infrastructure priorities, including most of the categories under the Building Canada Fund, as well as all road infrastructure and the safety-related rehabilitation of infrastructure. By accelerating funding through the Economic Action Plan, the department provided important financial stimulus to the economy and contributed to the long-term prosperity of communities.

In 2011-12, investments under infrastructure categories such as wastewater, public transit and drinking water will support the goals of *Maintaining Water Quality and Availability* and *Addressing Climate Change and Clean Air* under the Federal Sustainable Development Strategy (FSDS).

PROJECT SPOTLIGHT:

New construction for Winnipeg's CentrePort Canada initiative

Project location: Winnipeg, Manitoba

The CentrePort, Manitoba's inland port, is centrally and strategically located in the heart of North America and connects local businesses to world markets. It is located at Winnipeg's James Armstrong Richardson International Airport.

Winnipeg is the perfect location for CentrePort as the region plays an important role in both east-west and north-south trade. It serves as a natural connecting point between Atlantic shipping lanes and the Asia Pacific Gateway. It is also the northern terminus of the fast-growing, mid-continental trade corridor, giving it the potential to take advantage of expanding trade opportunities in Canada's North.

The CentrePort Canada initiative involves establishing the airport and surrounding land as a hub for importing and distributing goods from Asia and Europe throughout North America by air, rail and road. This includes developing a high-speed transportation corridor for the Inland Port.

A portion of the $175 million that Canada is providing to Manitoba under the Provincial-Territorial Infrastructure Base Fund will be allocated to this initiative, which has a total eligible cost of $136.7 million (other funding has also been provided, through the Asia Pacific Gateway and Corridor Initiative).

CentrePort Canada will help Winnipeg continue growing as a major trading centre for decades to come.

Federal contribution: Through the Provincial-Territorial Infrastructure Base Fund, Manitoba will receive $175 million in base funding for core infrastructure priorities.

2.2.2 Gas Tax Fund

- Stable, Predictable and Long-Term Funding for Municipalities -

This fund provides municipalities with predictable long-term funding, enabling local decision-making in the building and rehabilitation of core public infrastructure. The federal government entered into Gas Tax Fund Agreements with provinces, territories, the Association of Municipalities of Ontario, the Union of British Columbia Municipalities and the City of Toronto. These agreements establish an accountability framework allowing the Government of Canada to flow Gas Tax Fund money twice a year to signatories which in turn, flow funds to municipalities based on an agreed-upon allocation formula. For their part, municipalities decide which projects to prioritize within established investment categories.

Projects focus on ensuring cleaner air, cleaner water and reduced greenhouse gas emissions, and increasing communities' long-term planning capacities. Municipalities can pool, bank and borrow against this funding, providing significant additional financial flexibility. Eligible recipients are required to report annually on their use of funds and their compliance to terms and conditions of the federal-provincial Gas Tax Fund Agreements.

Budget 2007 added $8 billion in new funding and extended the Gas Tax Fund from 2010 to 2014, doubling . to $2 billion per year. Budget 2008 announced that the government intends to make it ongoing.

Table 7: Gas Tax Fund

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
15	1,975,952	15	1,974,546	15	1,974,540

Program Activity Expected Results	Performance Indicators	Targets
Recipient organizations have access to stable and predictable funding to build and improve municipal infrastructure.	Amount of federal funding flowed to provinces and territories in 2011-12.	$2 billion[1]
	Amount spent by municipalities in 2010-11 on infrastructure.	$1.4 billion[2]
	Total value of municipal infrastructure built in 2010-11.	$5.3 billion[3]

[1] Calculated based on yield allocation.

[2] Calculated based on the amount spent on 2009-10.

[3] Calculated based on cumulative reported total value.

Planning Highlights:

- Continue collaboration between the federal, provincial and territorial partners ensuring municipal governments have ongoing access to funds for infrastructure; and
- Ensure recipient organizations have access to stable and predictable funding to build and improve municipal infrastructure.

Benefits for Canadians: Through this program, Infrastructure Canada provides municipalities with predictable long-term funding while empowering them with local decision-making to better plan and invest in environmentally sustainable core public infrastructure. Since its inception, more than 7,000 federally funded projects have contributed to cleaner water and air while reducing greenhouse gas emissions in Canada's cities and communities.

In 2011-12, investments in environmentally sustainable municipal infrastructure projects in areas such as public transit, drinking water, wastewater, solid waste, green energy as well as local roads and bridges under the Gas Tax Fund will support the goals of *Addressing Climate Change and Air Quality* and *Maintaining Water Quality and Availability* under Federal Sustainable Development Strategy (FSDS). For example, a nine meter bridge project in the rural municipality of Big Arm No. 251, Saskatchewan will save its residents 1,139,200 km of annual travel while contributing to cleaner air and reduced greenhouse gas emissions.

PROJECT SPOTLIGHT:

Investing in active transportation networks

Project location: Peterborough, Ontario

Residents of the City of Peterborough have an increased opportunity to get active and enjoy the outdoors thanks to investments from the federal Gas Tax Fund.

The funding is being used to construct a critical section of the Otonabee River Trail that will link Millennium Park to Del Crary Park along Peterborough's waterfront, which hosts various events. Linking these two premier parks provides better recreational access, as well as serving to draw visitors into the downtown core for an added economic benefit.

This is a two-phased project. Phase I of the project included shoreline stabilization and the installation of an accessible pedestrian trail along the edge of the Otonabee River, which is wide enough to accommodate pedestrians and people with disabilities, as well as cyclists and in-line skaters. Phase II began in fall 2010, and includes walkway links and incorporates an accessible pedestrian bridge over Jackson Creek. Lighting and area planting will also be components of Phase II.

Economic and recreational opportunities are being created for residents in Peterborough thanks to projects such as this.

Federal contribution: This project benefitted from $1,290,000 in federal Gas Tax Funds in 2009 for its first phase. Peterborough will further allocate approximately $650,000 in federal Gas Tax Funds toward to the second phase of the project.

2.3 Program Activities for Strategic Outcome 2

Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.

2.3.1 Building Canada Fund-Communities Component

- Supporting the Infrastructure Needs of Smaller Communities -

This Fund addresses the unique infrastructure pressures facing smaller communities with populations of less than 100,000. Projects costs are cost-shared with provincial, territorial and municipal government, with each order of government contributing ⅓ of the eligible costs. The fund supports the construction, renewal and enhancement of basic infrastructure needs such as potable water, wastewater treatment, local roads and other infrastructure needs of small communities.

Table 8: Building Canada Fund-Communities Component

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
15	323,391	15	275,729	15	142,653

Program Activity Expected Results	Performance Indicators	Targets
Federal funding is provided and funding is leveraged from partners and invested in the construction, renewal and enhancement of infrastructure in communities of less than 100,000 residents.	Funding leveraged from partners as a percentage of federal funding.	200%
	Number of projects to start during the period.	40[1]
	Value in dollars of started projects during the period.	$72.4 million[2]
Infrastructure is constructed, renewed and enhanced in communities of less than 100,000 residents.	Number of approved projects completed.	174[3]
	Value in dollars of approved projects completed.	$200 million[4]

[1] Number of projects with a forecasted start date of 2011-12 from a total 880 approved projects.

[2] Value of 40 projects forecasted to start in 2011-12.

[3] From 880 total approved (not completed) projects.

[4] Value of 174 completed approved projects.

Planning Highlights:

- Continue to collaborate with Federal Delivery Partners ensuring accountability regimes are clearly established and executed;
- Conduct consistent project monitoring ensuring compliance to program Terms and Conditions; and
- Oversee the scheduled completion of hundreds of projects.

Benefits for Canadians: The Building Canada Fund-Communities Component helps smaller communities invest in local roads, disaster mitigation, wastewater treatments and recreation infrastructure. Since its inception communities with populations of less than 100,000 people have benefited from nearly 900 projects.

In 2011-12, investments in infrastructure under the Building Canada Fund-Communities Component in areas such as wastewater, solid waste management and green energy will support the goals of *Addressing Climate Change and Air Quality* and *Maintaining Water Quality and Availability* under Federal Sustainable Development Strategy (FSDS). For example, a sewer collection system in the district of Sicamous, British Columbia, scheduled to be completed in late 2011, will extend the sewage system into areas currently serviced by the failing onsite septic systems.

PROJECT SPOTLIGHT:

Meeting Community Needs: Ensuring Reliable Infrastructure

Project location: Bromont, Quebec

Residents of Bromont, Quebec, have a reliable, sustainable water supply once again.

The town is receiving over $1.5 million from the Communities Component of the Building Canada Fund to rebuild the water infrastructure along a 2,400-metre span of Shefford Street, a main thoroughfare in town.

Four watermain breaks in five years combined with inefficient residential foundation drains left the town with serious concerns about the safety of the municipal drinking water. There were also problems with water pressure and water shortages due to seepage from the leaking and broken watermains. Sewage was backing up in some homes.

The federal funding helped Bromont replace watermains and separate stormwater drainage from the wastewater network. Public health and safety have been ensured now that water shortages have been addressed by using available water more efficiently, and the volume of wastewater has been reduced.

Federal contribution: $1,576,899 from the Building Canada Fund-Communities Component.

2.3.2 Building Canada Fund-Major Infrastructure Component

- Supporting Nationally and Regionally Significant Projects -

This fund targets larger infrastructure projects of national and regional significance. It increases overall investment in public infrastructure and contributes to broad federal objectives: economic growth, a cleaner environment and strong and prosperous communities.

At least two-thirds of the funding is targeted to national priorities: water, wastewater, public transit, the core national highway system and green energy. The Building Canada Fund-Major Infrastructure Component has 11 additional eligible categories of investment, and priority projects are identified through discussions with provinces.

By providing federal funding on a cost-shared basis, it leverages additional contributions from other partners to increase overall investment in infrastructure. Projects must be supported by a business case which is reviewed against key program criteria.

As part of the Economic Action Plan, the government has made a commitment to accelerate funding. As part of this commitment, the department has streamlined the federal evaluation and approval of projects under this fund, simplifying and developing a more efficient review process to help projects get started sooner.

Table 9: Building Canada Fund-Major Infrastructure Component

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
30	1,270,430	30	1,319,386	30	1,002,714

Program Activity Expected Results	Performance Indicators	Targets
Recipient organizations have access to Building Canada Fund-Major Infrastructure Component funding to build or improve infrastructure.	Number of projects completed/underway. Value of projects completed/underway.	150 $21 billion
Infrastructure Canada's funding through the Building Canada Fund-Major Infrastructure Component leverages investments in infrastructure by other partners.	Funding leveraged from partners as a percentage of federal funding.	100%
Funding is directed towards the five national priorities of water, wastewater, core national highway, public transit and green energy infrastructure.	Federal funding commited towards the five national infrastructure priorities as a percentage of all federal funding under the Building Canada Fund-Major Infrastructure Component.	67%

Planning Highlights:

- Continue to work with provincial governments to identify priority major infrastructure projects for funding that remains in provincial allocations;
- Maintain the objective of targeting two-thirds of funding to national priorities: water, wastewater, public transit, the core national highway system and green energy;
- Continue to accelerate the approval of major infrastructure projects through streamlined federal evaluations;
- Continue to work towards the signing of project-specific contribution agreements for major infrastructure projects announced as funding priorities under the Building Canada Fund; and
- Continue to oversee the implementation of project-specific agreements, ensuring that the terms of agreements are respected and that claims for payment are processed efficiently.

Benefits for Canadians: The Building Canada Fund-Major Infrastructure Component supports large scale infrastructure projects that contribute to the government's priorities: strong economic and productivity growth, a healthy and sustainable environment and stronger Canadian communities. At least two-thirds of the funding is intended to address national priorities to allow Canadians to benefit from infrastructure development in the most crucial areas – specifically, drinking water, wastewater, public transit, core highway systems and green energy. Approximately 90.5% of Infrastructure Canada's funding commitments to date are for projects in these categories.

In 2011-12, investments in infrastructure such as wastewater, drinking water, public transit, and green energy under the Building Canada Fund-Major Infrastructure Component will support the goals of *Maintaining Water Quality and Availability* under the Federal Sustainable Development Strategy. For example, a wastewater infrastructure project in Duffin Creek, Ontario, scheduled to be completed in late 2011, will improve the quality of treated wastewater effluent discharged into Lake Ontario.

PROJECT SPOTLIGHT:

Telus World of Science

Project location: Calgary, Alberta

The new Telus World of Science will replace the Calgary Science Centre and Creative Kids Museum, which is functioning beyond capacity. This new science centre will make it possible to provide quality exhibits to a greater number of visitors in the region.

Preparation of the site flood plain is underway. Clean soil has been dumped into the site in order to increase the land level because the project is located beside a creek. The site will be raised by two metres in total. The Centre aims to inspire youth to participate in science as well as think about careers in science. It will also provide more scientific resources that can provide support to the community in a variety of ways.

"Our commitment is to reach beyond our boundaries to fuel innovation, inspire creativity, and to provide unique and accessible ways to engage in the world of science, technology and the arts," says Jennifer Martin, Chief Executive Officer, Telus World of Science.

Federal contribution: $40,000,000 from the Building Canada Fund-Major Infrastructure Component.

2.3.3 Green Infrastructure Fund

- Investing in the Green Infrastructure of Tomorrow -

This fund was announced in Budget 2009 as a five-year, $1 billion fund supporting infrastructure projects that promote cleaner air, reduced greenhouse gas emissions and cleaner water. Targeted investments in green infrastructure can contribute to improving the quality of the environment and lead to a more sustainable economy over the longer term.

There are five eligible categories of investment: wastewater infrastructure, green energy generation infrastructure, green energy transmission infrastructure, solid waste infrastructure, and carbon transmission and storage infrastructure. By providing up to 50% federal funding on a cost-shared basis, the fund leverages additional investments from other partners. Eligible recipients include provinces, territories, local or regional governments, public sector bodies, other eligible non-profit organizations and private sector companies, either alone or in partnership with a province, territory or a government body.

Projects can be identified through a variety of channels, but provinces and territories are the main proponents, as their funding and support for projects is key to leveraging funds and ensuring that projects are of national or regional significance. The fund is allocated based on assessment criteria such as eligibility, leveraging financial investments and project benefits. The Green Infrastructure Fund was designed to incorporate the streamlined approach to federal evaluation and approval of projects originally adopted for Building Canada Plan programs. Of the $1 billion fund, $797 million has been committed including $627 million for projects managed under the program and $170 million in transfers to other federal

departments to support high-priority initiatives, such as the Forestry Industry Transformation program managed by Natural Resources Canada, and the Temporary Initiative for the Strengthening of Quebec's Forest Economies managed by Canada Economic Development for Quebec Regions.

Table 10: Green Infrastructure Fund

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
15	431,084	15	159,843	15	174,852

Program Activity Expected Results	Performance Indicators	Targets
Recipient organizations (target groups) of the Green Infrastructure Fund have access to funds to build or improve infrastructure.	Number of projects completed/underway.	18
	Value in dollars of projects completed/underway.	$1.91 billion
	Amount of federal funding committed on projects.	$626.97 million
Infrastructure Canada's funding and negotiations leverage investments by other partners in infrastructure.	Funding leveraged from partners as a percentage of federal funding.	100%

Economic Action Plan (EAP): This funding contributes to green public infrastructure projects, and complements the economic and environmental efforts of other federal government measures, so that Canada emerges from the current economic downturn more quickly and with greener infrastructure.

Planning Highlights:

- Continue to work with provincial, territorial and municipal governments to identify and announce green infrastructure projects;
- Conclude project-specific agreements for green infrastructure projects announced as funding priorities under the Green Infrastructure Fund; and
- Oversee the implementation of project-specific agreements, ensuring that the terms of agreements are respected and that claims for payment are processed efficiently.

Benefits for Canadians: The Green Infrastructure Fund specifically targets projects that will improve the quality of the environment and lead to a more sustainable economy over the long-term.

In 2011-12, investments under the wastewater infrastructure category of the Green Infrastructure Fund will support the FSDS theme of *Maintaining Water Quality and Availability*. For example, announced wastewater infrastructure projects that will improve the quality of water in the Great Lakes will be implemented over the 2011-12 planning period.

PROJECT SPOTLIGHT:

MAYO-B Power Generation

Project location: Mayo River, Yukon

The Government of Canada is contributing up to $71 million towards Yukon's Mayo-B hydro and Carmacks-Stewart transmission project. The project will enhance Yukon's electricity supply and reduce emissions of greenhouse gases. The project involves the construction of a new power plant (Mayo-B) downstream from an existing one.

The Mayo-B component will increase clean energy generation capacity at the site by 5 to 6 Megawatts. The new site's location doubles the elevation drop from Wareham Lake. This doubles the energy that can be obtained from the water flowing through its turbines, without requiring any new dams, reservoirs or additional flooding. Phase 2 will extend the Carmacks-Stewart transmission line from Pelly Crossing to Stewart Crossing, completing the connection of the Whitehorse-Ajax-Farrow and Mayo-Dawson grids.

These upgrades are helping protect the environment and ensure a more reliable supply of electricity for families and businesses in Canada's North.

Federal contribution: $71,000,000 from the Green Infrastructure Fund.

2.3.4 Canada Strategic Infrastructure Fund

- Enhancing Quality of Life and Economic Prosperity -

This fund supports projects that sustain economic growth and enhance the quality of life of Canadians. Investments are made in cooperation with the provinces, territories, municipalities, and the private sector, and contribute to the construction, renewal and/or enhancement of public infrastructure. The Canada Strategic Infrastructure Fund leverages additional contributions from other partners by providing up to 50% funding for eligible projects. This program activity began in 2003, and is scheduled to end in 2012-13.

Table 11: Canada Strategic Infrastructure Fund

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14[1]	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
6	378,791	6	233,555	6	100,336

Program Activity Expected Results	Performance Indicators	Targets
Federal funding is provided and funding is leveraged from partners and invested in the construction, renewal and enhancement of public infrastructure that contributes to economic prosperity at both regional and national levels.	Funding leveraged from partners as a percentage of federal funding.	100%
Public Infrastructure is constructed, renewed and enhanced.	Number of approved projects completed.	51[2]
	Value in dollars of approved projects completed.	$9.7 billion[3]

[1] While the program ends on March 31, 2013, some projects received Treasury Board approval for the Canada Strategic Infrastructure Fund Terms and Conditions to continue to apply beyond 2012-13, until the project funding agreements expire.

[2] From a total of 76 approved projects.

[3] Value of 51 completed approved projects.

Planning Highlights:

- Apply consistent project monitoring to closing-out projects;
- Oversee project completion and close-out adhering to consistent monitoring and review procedures; and
- Assemble and analyze project information for reporting purposes.

Benefits for Canadians: Through the Canada Strategic Infrastructure Fund and in collaboration with its federal, provincial, territorial, and municipal partners, Infrastructure Canada contributes to the construction, renewal, and enhancement of public infrastructure by funding projects of major national and regional significance. Since its inception, 76 large scale projects improved the quality of life of Canadians while contributing to economic prosperity.

2.3.5 Municipal Rural Infrastructure Fund

- Long-term Commitment to Communities -

Municipal Rural Infrastructure Fund (MRIF). This fund supports small-scale municipal infrastructure projects designed to promote and improve quality of life in both urban and rural communities. The program initially provided $1.2 billion in federal funding and was augmented with an additional $200 million in January 2007. At least 80% of funding under the fund has been dedicated to municipalities with a population of less than 250,000. For most projects, the MRIF provides up to one-third federal funding for eligible projects. Its long-term commitment to public infrastructure helps promote sustainable economic growth, innovation

and healthy communities. Projects contribute to the construction, renewal and/or enhancement of public infrastructure to build capacity in partnership with recipients. The fund was announced in 2003, and has been extended until 2013-14. It is delivered through a partnership with federal regional development agencies (ACOA, CEDQR, FedDev Ontario, WED and CanNor in the northern territories and for First Nations).

Table 12: Municipal Rural Infrastructure Fund

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14[1]	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
6	47,226	6	39,300	See Footnote 1	See Footnote 1

Program Activity Expected Results	Performance Indicators	Targets
Federal funding is provided and funding is leveraged from partners and invested in the construction, renewal and enhancement of public infrastructure projects in both urban and rural communities.	Funding leveraged from partners as a percentage of federal funding.	100%
Public Infrastructure is constructed, renewed and enhanced.	Number of approved projects completed.	1,669[2]
	Value in dollars of approved projects completed.	$3.5 billion[3]

[1] There is no Planned FTE requirement and no Planned Spending for 2013-14.

[2] From a total of 2,001 approved projects.

[3] Value of 1,669 completed approved projects.

Planning Highlights:

- Continue to manage projects subject to federal-provincial-territorial contribution agreements;
- Continue to work with Federal Delivery Partners on the project close-out adhering to consistent monitoring and review procedures; and
- Assemble and analyze project information for reporting purposes.

Benefits for Canadians: The Municipal Rural Infrastructure Fund provides funding for small-scale municipal infrastructure projects designed to promote and improve quality of life in smaller and urban and rural communities with populations of less than 250,000 people. Since its inception, more than 2,000 projects contributed to improved drinking water, solid waste management, public transit, local roads, culture, tourism and green energy.

2.3.6 Border Infrastructure Fund

- Improving Canada's Border Crossings -

This fund provides $675 million of funding for investments in physical infrastructure, transportation system infrastructure and improved analytical capacity at the largest surface border crossings between Canada and the United States, as well as several other crossing points in Canada. Established in 2002, the fund provides up to 50% federal funding to support eligible projects at Canada's border crossings. This program activity began in 2003, and is scheduled to end in 2013-14. Transport Canada is the federal partner for this program.

Table 13: Border Infrastructure Fund

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
1	51,738	1	68,451	1	26,035

Program Activity Expected Results	Performance Indicators	Targets
Federal funding is provided and funding is leveraged from partners and invested in the enhancement of infrastructure at Canada-United States border crossing points.	Funding leveraged from partners as a percentage of federal funding.	100%
Public infrastructure at Canada-United States border crossing points is constructed, renewed and enhanced.	Number of approved projects completed.	8[1]
	Value in dollars of approved projects completed.	$1.1 billion[2]

[1] From a total of 12 approved projects.

[2] Value of 8 completed approved projects.

Planning Highlights:

- Monitor the implementation of project-specific agreements in partnership with Transport Canada;
- Oversee the scheduled completion of projects subject to terms of agreement ensuring claims are processed efficiently and timely; and
- Assemble and analyze project information for reporting purposes.

Benefits for Canadians: The Border Infrastructure Fund advances economic and trade relationships with the United States by investing in physical infrastructure, intelligent transportation system infrastructure, and improved analytical capacity. Since its inception 13 projects enhanced border infrastructure and improved the flow of trade between Canada and the United States, contributing to federal security and increased safety for Canadians.

2.3.7 Economic Analysis and Research

- Supporting Delivery and Management of Infrastructure Programs -

This program activity provides economic analysis and research in support of the delivery and management of infrastructure programs.

Table 14: Economic Analysis and Research

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
17	10,817	17	4,607	17	4,600

Program Activity Expected Results	Performance Indicators	Targets
Leveraging of research resources across various levels of government and stakeholders so that knowledge on infrastructure improves.	Funding leveraged from partners as a percentage of federal funding.	Programs under this program activity have not yet been launched. Therefore, no target has been set.

Planning Highlights:

- Specific programs to be delivered under Economic Analysis and Research will be considered during the planning period.

Benefits for Canadians: Economic Analysis and Research promotes innovation and progress in the delivery, management and maintenance of world-class public infrastructure.

2.4 Program Activities for Strategic Outcome 3[1]

Construction-ready infrastructure projects are provided with federal funding support.

2.4.1 Infrastructure Stimulus Fund

- Sustaining the Economy in Tough Times -

This fund provides significant, timely and targeted funding to support provincial, territorial and municipal infrastructure projects, as well as infrastructure projects submitted by not-for-profit and for-profit entities. It focuses on the rehabilitation of existing assets and building new infrastructure that is construction-ready and can be substantially completed by October 31, 2011. Categories include: Water, wastewater, public transit, solid waste

[1] Program activities for the National Trail Coalition and the G8 Legacy Funding Program do not have funding for 2011-12 and beyond, and are therefore not broken out in the 2011-12 Report on Plans and Priorities. However, both are still program activities in the department's Program Activity Architecture structure.

management, highways, roads, culture, community centers and services, temporary shelter infrastructure, parks and trails, rail and port infrastructure. By providing up to 50% federal funding to construction-ready projects, it leverages funding from other partners, and is able to generate a much greater overall impact on the Canadian economy through infrastructure spending.

Table 15: Infrastructure Stimulus Fund

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12[1]		2012-13[2]		2013-14[2]	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
24	2,400	See Footnote 2	See Footnote 2	See Footnote 2	See Footnote 2

Program Activity Expected Results	Performance Indicators	Targets
Construction-ready infrastructure projects are provided with timely and temporary federal funding support by the Infrastructure Stimulus Fund in order to contribute to government-wide objectives of the Economic Action Plan (EAP).	Amount of eligible costs incurred.	95% of eligible costs incurred by October 31, 2011.
	Percentage of projects that are substantially completed by the end of program, out of total number of projects approved.	95% of approved EAP projects are substantially completed.
Expedited federal funding is provided and funding is leveraged from partners and invested in the short-term construction, renewal and enhancement of infrastructure.	Funding leveraged from partners as a percentage of federal funding.	100%

[1] The $2.4 million in Planned Spending represents Operating Costs only, and the Planned Spending for Contributions will be funding transferred from 2010-11 to 2011-12. Infrastructure Canada will transfer funding from 2010-11 to 2011-12, and this will be requested through 2011-12 Supplementary Estimates.

[2] Planned FTE requirement and Planned Spending for 2012-13 and 2013-14 to address the EAP deadline extension to October 31, 2011 were not available at the time of the printing of this report. Should program close-out require FTEs and planned spending in 2012-13 or beyond, these requirements will be addressed through future Estimates processes.

Economic Action Plan (EAP): The $4 billion Infrastructure Stimulus Fund of the Economic Action Plan provides a short-term boost to the economy by accelerating funding to construction-ready infrastructure projects targeting the rehabilitation and construction of provincial, territorial, municipal, community and some federal infrastructure assets. While the majority of construction on Infrastructure Stimulus Fund projects is expected to be completed by March 31, 2011, the construction deadline on infrastructure projects has been extended to October 31, 2011, thus allowing for an extra construction season to ensure timely and responsible project completion.

Planning Highlights:

- Ensure proper financial oversight of the intensive close-out process for thousands of short-term projects;
- Continue to collaborate with federal, provincial and territorial partners ensuring accountability regimes are clearly established and executed; and
- Identify lessons learned and best practices that can be of use in the development and implementation of new programs.

Benefits for Canadians: Through this short-term economic stimulus program, Infrastructure Canada contributes to the long-term prosperity of communities by fast-tracking infrastructure funding. Since its inception more than 4,100 modern public infrastructure projects have contributed to social, cultural and environmental benefits to provinces, territories and particularly smaller jurisdictions.

PROJECT SPOTLIGHT:

Vital bridge rehabilitation over Halifax Harbour

Project location: Halifax, Nova Scotia

Thanks to a $3.7-million investment from the Infrastructure Stimulus Fund, critical rehabilitation work is now substantially complete on the A. Murray MacKay Bridge in Halifax. The MacKay Bridge is the only structure that can support commercial truck traffic and a key route across Halifax Harbour into the City's central business district.

With more than 18 million vehicles using the bridge each year, its road surface had deteriorated to the point of causing significant safety concerns for drivers. Salty air had also corroded the deck panels and expansion joints, causing further safety issues.

The federal contribution, matched by the province, enabled the replacement of the steel plate deck panels and expansion joints. The roadway has also been resurfaced to improve driving conditions.

As well addressing the safety issues, major repairs on the bridge are now not expected to be required for another 15 years. "This ... is the largest project completed at the MacKay Bridge since it opened in 1970," noted Steve Snider, General Manager and CEO for Halifax Harbour Bridges. "The work needed to be done for the long-term safety of the traveling public."

Federal contribution: $3,700,000 from the Infrastructure Stimulus Fund.

2.4.2 Building Canada Fund-Communities Component Top-Up

- Stimulating the Economy and Supporting Small Communities -

This program activity provides additional federal funding in the amount of $500 million (added to the original Building Canada Fund-Communities Component) to fund additional infrastructure projects in 2009-10 and 2010-11 in communities with populations of less than 100,000, with infrastructure needs related to 18 approved categories of project investment. The additional Top-Up funds are part of the Economic Action Plan (EAP) and are providing targeted economic stimulus. The funds are being allocated to projects that were ready to get started at the time the Top-Up was announced, and that can be substantially completed by October 31, 2011. All Building Canada Fund-Communities Component funding had to be committed before access to Top-Up funding could occur.

Table 16: Building Canada Fund-Communities Component Top-Up

Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12[1]		2012-13[2]		2013-14[2]	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
See Footnote 1	See Footnote 1	See Footnote 2	See Footnote 2	See Footnote 2	See Footnote 2

Program Activity Expected Results	Performance Indicators	Targets
Construction-ready infrastructure projects are provided with timely and temporary federal funding support by the Building Canada Fund-Communities Component Top-Up in order to contribute to government-wide objectives of the Economic Action Plan (EAP).	Amount of eligible costs incurred.	95% of eligible costs incurred by October 31, 2011.
	Percentage of projects that are substantially completed by the end of program, out of total number of projects approved.	95% of approved EAP projects are substantially completed.
Funding leveraged from partners, as a percentage of federal funding, for the construction, renewal and enhancement of infrastructure in communities of less than 100,000 residents.	Funding leveraged from partners as a percentage of federal funding.	200%

[1] As a result of the deadline extension to October 31, 2011, funding for this program activity will be transferred from 2010-11 to 2011-12. This funding transfer will be requested through 2011-12 Supplementary Estimates.

[2] Planned FTE requirement and Planned Spending for 2012-13 and 2013-14 to address the EAP deadline extension to October 31, 2011 were not available at the time of the printing of this report. Should program close-out require FTEs and planned spending in 2012-13 or beyond, these requirements will be addressed through future Estimates processes.

Economic Action Plan (EAP): Through Canada's Economic Action Plan, the federal government topped up the Building Canada Fund-Communities Component to accelerate infrastructure projects in small communities while providing needed short-term stimulus to Canada's economy. An additional $500 million was committed to fund construction-ready two-year infrastructure projects in communities with populations of less than 100,000 people. All Building Canada Fund-Communities Component funding had to be committed before access to Top-Up funding could occur. While the majority of construction on Communities Component Top-Up projects is expected to be completed by March 31, 2011, the construction deadline on infrastructure projects has been extended to October 31, 2011, thus allowing for an extra construction season to ensure timely and responsible project completion.

Planning Highlights:

- Continue to collaborate with Federal Delivery Partners ensuring accountability regimes are clearly established and executed;
- Ensure proper financial oversight of the intensive close-out process for hundreds of short-term projects; and
- Identify lessons learned and best practices that can be of use in the development and implementation of other programs.

Benefits for Canadians: Through this short-term economic stimulus program, Infrastructure Canada contributes to the long-term prosperity of smaller communities with populations of less than 100,000 people through immediate funding of small short-term construction-ready projects. To-date, more than 530 community projects nearing completion continue to benefit communities throughout the country.

2.5 Internal Services

Table 17: Internal Services

Program Activity: Internal Services					
Human Resources (FTEs) and Planned Spending (in $ thousands)					
2011-12		2012-13		2013-14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
199	41,969	189	40,000	189	40,000

The Planned Spending for 2012-13 and 2013-14 represents a preliminary estimate only. Historically Infrastructure Canada's Internal Services program activity is supported from an annual allocation of administrative funding which is set aside for the delivery of specific major infrastructure programs.

The planning highlights for Internal Service are focused on seven key activities:

Internal Audit: During the planning period, the Internal Audit Directorate will:

- Provide, as part of the Risk-Based Audit Plan, assurance, advisory and consulting services to support senior management in reaching departmental objectives – there will be an emphasis on claims processing and close-out procedures;
- Ensure a rigorous follow-up of audit recommendations and related management action plans resulting from prior engagements;
- Continue the implementation of a quality assurance and improvement program to cover major aspects of the internal audit function and continuously monitor the effectiveness and formalization of the audit methodology; and
- Efficiently provide value-added services to support management in implementing performance measures for the programs offered under the EAP through various audits, reviews and readiness/risk assessments.

For additional information on Internal Audit activities please refer to the RPP electronic supplementary information tables which may be found on the Treasury Board Secretariat's web site at: **http://www.tbs-sct.gc.ca/rpp/2011-2012/inst/inf/inf00-eng.asp**.

Evaluation: During the planning period, the Evaluation Directorate will:

- Develop a revised Risk-Based Evaluation Plan to provide value-for-money assessments of Infrastructure Canada's direct spending and an annual report on the state of performance measurement of all current programs in support of evaluation;
- Report on the progress of implementation of evaluation recommendations and related management action plans;
- Assist program management in the collection of reliable performance data for Infrastructure Canada's programs; and
- Complete the evaluation of Infrastructure Canada's initiatives related to the Economic Action Plan (Infrastructure Stimulus Fund, Building Canada Fund-Communities Component Top-Up portion, and the funding for National Trails Coalition).

For additional information on Evaluation activities please refer to the RPP electronic supplementary information tables which may be found on the Treasury Board Secretariat's web site at: **http://www.tbs-sct.gc.ca/rpp/2011-2012/inst/inf/inf00-eng.asp**.

Corporate Risk Profile: During the planning period, the Corporate Risk Profile will:

- Ensure that the Corporate Risk Profile adequately reflects the risks associated with the Economic Action Plan and post-Economic Action Plan initiatives, and that progress in implementing mitigation measures and the re-assessment of risk placement are reported to the Departmental Management Committee (DMC).

Communications: During the planning period, the Communications Directorate will:

- Continue to implement a long-term communications strategy built on four pillars of communicating with Canadians about results of funding; sharing program information with stakeholders; raising awareness of the federal role in infrastructure; and supporting employee engagement;
- Focus efforts to strengthen the management of websites by improving and significantly refreshing the web content;
- Support departmental efforts to show the results of funding programs through broadening the range of communications channels used, including publications;
- Continue to deliver a high volume of media relations activities, ensuring that information about the thousands of funded projects is readily available to journalists of both national and local media outlets;
- Ramp up efforts to ensure the application of communications protocols for major, long-term infrastructure projects as they enter their construction phases are followed;
- Build on the momentum made in improving internal communications that support organizational effectiveness and employee engagement and retention, by continuing improvements to the internal website, and its branch subsites; and
- Increase its capacity to respond to ATIP inquiries through increased dedicated resources and will offer training for employees in all parts of the organization.

Information Management (IM) and Information Technology (IT): During the planning period, the Information Management/Information Technology Directorate will:

- Continue using its information management and information technology products and services to support Infrastructure Canada's priorities;
- Continue the development and support of information technology and services, including the Shared Information Management System for Infrastructure (SIMSI) database system; and
- Implement an electronic document and records management system (EDRMS) for Infrastructure Canada.

Financial Management: During the planning period, the Finance and Administration Division will:

- Enhance the timeliness and functionality of internal financial reporting systems by:
  - Increasing the automation of monthly corporate financial reports;
  - Expanding the use of the department's new Financial Planning and Analysis Application solution for tracking and reporting on program funds; and
  - Implement a new Salary Resource Management Systems for planning and forecasting the department's salary requirements.
- Provide secretariat support and advice to the Project Review Panel for the review of infrastructure projects;

- Develop and implement new and enhanced controls and services levels with respect to its accounting operations and external financial reporting functions, including production of quarterly financial reports;
- Strengthen overall internal financial management capacity through training, staffing vacant positions, engaging consultants for specialized assignments, and implementing new internal controls; and
- Continue to make improvements in overall administration by reviewing and revising its general administrative controls and procedures.

People Management: During the planning period, the Human Resources Division will:

- Deliver on the department's Integrated Business and Human Resources Plan (IBHRP) and people management strategies necessary to support a flexible and adaptable workforce, employee development and growth, and employee engagement;
- Focus on maintaining current employee capacity through the implementation of a recruitment strategy which includes recruiting through various programs, as well as traditional staffing processes;
- Ensure recruitment reflects Canada's diversity by clearly identifying the imperative for diversity in recruitment efforts, and identifying employment equity as an organizational requirement for the appointment processes;
- Ensure the department's culture continues to embrace diversity and a bilingual work environment by investing in language training for employees, actively encouraging all employees to work in the language of their choice, and acting as a role model for each other;
- Develop, implement and communicate a departmental Code of Conduct to support Values and Ethics initiatives to guide employees in their professional activities, and maintain and enhance public confidence in the integrity of the public service;
- Implement Infrastructure Canada's Learning Strategy designed to promote a strong learning culture, better coordinate and communicate activities and resources, and provide targeted, relevant and innovative learning opportunities; and
- Support Public Service Renewal and improve People Management.

Benefits for Canadians – All Internal Services:

- Infrastructure Canada's seven key activities for internal services provide strategic management direction and supports effective and efficient program design and delivery. They ensure proper stewardship and accountability of public funds, and build human resources capacity and leadership for the successful delivery of the department's programs.

Section III:
Supplementary Information

3.1 Financial Highlights

The financial highlights presented in this Report on Plans and Priorities are intended to serve as a general overview of Infrastructure Canada's financial position and financial operations. Financial statements can be found in the departmental web site at: **http://www.infc.gc.ca/media/pub/index-eng.html**.

3.1.1 Condensed Financial Statements

Table 18 represents the department's Future-Oriented Condensed Statement of Operations, and Table 19 represents the department's Future-Oriented Condensed Statement of Financial Position.

Table 18: Future-Oriented Condensed Statement of Operations For the Year (Ended March 31)

(in $ thousands)			
Future-Oriented Condensed Statement of Operations for the Year Ended (March 31)	**% Change**	**Future-Oriented 2011-12**	**Future-Oriented 2010-11**
Total Expenses	-44%	4,885,055	8,673,532
Total Revenues	0%	0	0
Net Cost of Operations	**-44%**	**4,885,055**	**8,673,532**

Table 19: Future-Oriented Condensed Statement of Financial Position For the Year (Ended March 31)

(in $ thousands)			
Future-Oriented Condensed Statement of Financial Position for the Year (Ended March 31)	**% Change**	**Future-Oriented 2011-12**	**Future-Oriented 2010-11**
Total Assets	2%	142,467	140,242
Total Liabilities	-16%	569,589	679,698
Total Equity	**-21%**	**-427,122**	**-539,456**

The sources of revenue are expected to be negligible. The department receives small amounts of revenue from crown assets disposals, other fees such as Access to Information and Privacy request, and from miscellaneous revenue such as the Bank of Montreal's rebates on acquisition cards.

3.2 Financial Statements

Infrastructure Canada's financial statements can be found at the departmental web site at: **http://www.infc.gc.ca/media/pub/index-eng.html**.

3.3 Supplementary Information Tables

3.3.1 List of Supplementary Information Tables

All electronic supplementary information tables found in the 2011-12 Report on Plans and Priorities can be found on the Treasury Board Secretariat's web site at: **http://www.tbs-sct.gc.ca/rpp/2011-2012/inst/inf/inf00-eng.asp**.

- Details on Transfer Payment Programs (TPPs)
- Greening Government Operations
- Horizontal Initiatives
- Upcoming Internal Audits and Evaluations Over the Next Three Fiscal Years

As prescribed by the Policy on Transfer Payments, as of June 30, 2009, the summary of the Three-Year Plan for Transfer Payments is available at: **http://www.infc.gc.ca/pd-dp/tpp-ppt/index-eng.html**.

3.4 Contact Information

For more information, please visit **www.infrastructure.gc.ca** or contact:

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National information line on infrastructure: 613-948-1148
Telephone toll free: 1-877-250-7154

For more information on the Building Canada Plan, please visit **www.buildingcanada.gc.ca**.